

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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APR 09 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

WS-02676A
Rio Rico Utilities Inc. (water)
1060 Yavapai Dr. Suite #9
Rio Rico AZ 85648-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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RECEIVED

APR 16 2004

RIO RICO UTILITIES

FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) RIO RICO UTILITIES, INC

Mailing Address 1060 Yavapai Dr. - Suite #9
(Street)

Rio Rico
(City)

AZ
(State)

85648
(Zip)

(520) 281-7000

Telephone No. (Include Area Code)

(520) 281-7433

Fax No. (Include Area Code)

Pager/Cell No. (Include area Code)

Email Address _____

Local Office Mailing Address Same as above
(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact:

Donald R. Baker
(Name)

Manager
(Title)

1060 Yavapai Dr - Suite #9
(Street)

Rio Rico
(City)

AZ
(State)

85648
(Zip)

(520) 281-7000

Telephone No. (Include Area Code)

(520) 281-7433

Fax No. (Include Area Code)

Pager/Cell No. (Include area Code)

Email Address _____

On Site Manager :

Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include area Code)

Email Address _____

Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent:

M H R V B Service Corp

(Name)

3003 No Central Ave

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 604-2200

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Incl Area Code)

Attorney:

Moyes, Storey et al

(Name)

3003 No Central Ave - #1250

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 604-2200

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Incl Area Code)

Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company :

☐ Sole Proprietor (S)☒ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☐ Association/Co-op (A)☐ Receivership (R)☐ Limited Liability Company☐ Other (Describe)**COUNTIES SERVED**

Check the box below for the county (ies) in which you are certificated to provide service:

☐ APACHE☐ COCHISE☐ COCONINO☐ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☐ MOHAVE☐ NAVAJO☐ PIMA☐ PINAL☒ SANTA CRUZ☐ YAVAPAI☐ YUMA☐ STATEWIDE

COMPANY NAME: RIO RICO UTILITIES, INC (WATER)

UTILITY PLANT IN SERVICE

Acct No.	DESCRIPTION	Original Cost (OC)	Accumulated Deprec. (AD)	O.C.L.D. (OC less AD)
301	Organization	5,785		5,785
302	Franchises	417		417
303	Land & Land Rights	44,194		44,194
304	Structures & Improvements	688,795	98,483	590,312
307,308,309	Wells & Springs	551,217	115,252	435,965
310,311	Pumping Equipment	1,842,928	575,286	1,267,642
320	Water Treatment Equipment	268,666	105,839	162,827
330	Dist. Reservoirs & Standpipes	403,606	119,089	284,517
331	Trans. & Distr. Mains	19,233,502	6,075,066	13,158,436
333	Services	1,512,831	475,223	1,037,608
334	Meters & Meter Installations	548,895	133,345	415,550
335	Hydrants	459,750	134,914	324,836
336	Backflow Prev. Devices			
339	Other Plant & Misc Equipment	655	268	387
340	Office Furniture & Equipment	92,480	35,801	56,679
341	Transportation Equipment	2,925	2,968	(43)
342,343	Tools, Shop & Garage Equip	15,035	5,955	9,080
344	Laboratory Equipment	3,061	1,212	1,849
345	Power Operated Equipment			
346	Communication Equipment	141,859	29,051	112,808
347	Misc. Equipment	7,046	2,916	4,130
348	Other Tangible Plant			
	TOTALS	25,823,647	7,910,668	17,912,979

This amount goes on the Balance Sheet - Acct #108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct No.	DESCRIPTION	Original Cost (1) * (YE Avge)	Depr. % (2)	Depreciation Expense (1x2)
301	Organization	5,785		
302	Franchises	417		
303	Land & Land Rights	44,194		
304	Structures & Improvements	561,988	1.99%	11,183
307-309	Wells & Springs	426,580	3.15%	13,437
310,311	Pumping Equipment	1,700,011	3.99%	59,940
320	Water Treatment Equipment	268,666	3.99%	10,720
330	Dist. Reservoirs & Standpipes	378,359	1.99%	7,529
331	Trans. & Distr. Mains	19,174,825	1.99%	313,302
333	Services	1,489,192	2.49%	37,081
334	Meters & Meter Installations	534,043	2.49%	13,298
335	Hydrants	459,489	1.99%	9,144
336	Backflow Prev. Devices			
339	Other Plant & Misc Equipment	655	4.00%	26
340	Office Furniture & Equipment	92,480	4.80%	4,439
341	Transportation Equipment	2,925	7.20%	211
342,343	Tools, Shop & Garage Equip	15,035	4.01%	603
344	Laboratory Equipment	3,061	4.01%	123
345	Power Operated Equipment			
346	Communication Equipment	141,859	5.03%	7,135
347	Misc. Equipment	7,046	4.01%	283
348	Other Tangible Plant			
	TOTALS	25,306,610		488,454

This amount goes on Comparative Statement of Income & Expense _____
 Acct No. 403

* NOTE - Depreciation is calculated on year-end average balance
 Refer to Page 3 for total original cost

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
ASSETS			
CURRENT & ACCRUED ASSETS			
131	Cash	\$ 37,709	\$ 35,475
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	83,689	103,576
146	Notes/Receivables from Assoc Companies		
151	Plant Material and Supplies	34,259	37,423
162	Prepayments	45,841	85,691
174	Misc. Current and Accrued Assets	360,371	443,588
TOTAL CURRENT & ACCRUED ASSETS		\$ 561,869	\$ 705,753
FIXED ASSETS			
101	Utility Plant in Service	\$ 24,186,096	\$ 25,823,647
103	Property Held for Future Use		
105	Construction Work in Progress	180,847	410,213
108	Accumulated Depreciation - Utility Plant	(7,040,836)	(7,910,668)
121	Non-Utility Property	(1) 10,077,132	(1) 11,806,905
122	Accumulated Depr. - Non Utility Property	(2) (3,117,475)	(2) (3,485,443)
TOTAL FIXED ASSETS		\$ 24,285,764	\$ 26,644,654
TOTAL ASSETS		\$ 24,847,633	\$ 27,350,407

NOTE: The Assets on this page should be equal to Total Liabilities & Capital on the following page.

(1) Wastewater Plant plus CWIP-Wastewater, plus Total Acquisition Adjustment

(2) Wastewater Plant Deprec. plus Total Amortization of Acquisition Adjustment

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 11,861	\$ 11,248
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Assoc. Companies	2,127,836	1,214,245
235	Customer Deposits	166,239	181,792
236	Accrued Taxes Payable	7,630	7,885
237	Accrued Interest Payable	2,110	1,796
241	Misc. Current & Accrued Liabilities	32,104	53,235
	TOTAL CURRENT LIABILITIES	\$ 2,347,780	\$ 1,470,201
	LONG TERM DEBT (Over 12 Months)		
224	Long-Term Notes & Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	105,072	114,238
255	Accum. Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	22,503,414	22,614,128
272	Less: Amortization of Contributions	(4,946,157)	(5,501,583)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 17,662,329	\$ 17,226,783
	TOTAL LIABILITIES	\$ 20,010,109	\$ 18,696,984
	CAPITAL ACCOUNTS		
201	Common Stock Issued	1	1
211	Paid in Capital in Excess of Par Value	6,869,679	8,997,515
215	Retained Earnings	(307,149)	(344,093)
218	Proprietary Capital (Sole Props & Partnerships)		
	TOTAL CAPITAL	\$ 6,562,531	\$ 8,653,423
	TOTAL LIABILITIES & CAPITAL	\$ 26,572,640	\$ 27,350,407

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,012,397	\$ 1,117,221
460	Unmetered Water Revenue		
474	Other Water Revenue	34,275	28,586
	TOTAL REVENUES	\$ 1,046,672	\$ 1,145,807
	OPERATING EXPENSES		
601	Salaries & Wages	159,948	183,955
610	Purchased Water		
615	Purchased Power	192,904	211,641
618	Chemicals	2,879	4,513
620	Repairs & Maintenance/Supplies	20,172	16,246
621	Office Supplies & Expense	10,950	10,539
630	Outside Services	155,592	168,750
635	Water Testing	5,260	11,697
641	Rents	9,610	10,846
650	Transportation Expense	48,012	62,155
657	Insurance - General Liability	28,898	30,897
659	Insurance - Health & Life		
666	Regulatory Commission Exp-Rate Case		
675	Miscellaneous Expense	56,629	64,425
403	Depreciation Expense	479,947	488,454
408	Taxes Other Than Income (P/R Tax)	13,873	15,536
408.11	Property Taxes	62,753	65,309
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 1,247,427	\$ 1,344,963
	OPERATING INCOME/(LOSS)	\$ (200,755)	\$ (199,156)
	OTHER INCOME/(EXPENSE)		
419	Interest & Dividend Income	\$	\$
421	Non-Utility Income	(1) 418,964	422,840
426	Misc. Non-Utility Expenses	(2) 52,424	40,470
427	Interest Expense	3,651	4,752
	TOTAL OTHER INCOME/(EXPENSE)	\$ 362,889	\$ 377,618
	NET INCOME/(LOSS)	\$ 162,134	\$ 178,462

(1) Misc. Income plus Amortization of CIAC

(2) Amortization of Acquisition Adjustment plus Other Non-Operating Expense

COMPANY NAME

Rio Rico Utilities, Inc

(Water)

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 89,556.61

Meter Deposits Refunded During the Test Year

\$ 8,841.50

COMPANY NAME: RIO RICO UTILITIES, INC (WATER)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number *	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (feet)	Casing Diameter	Meter Size (inches)	Year Drilled
55-502579	200	1100	650	16	8	
55-619359	75	625	250	10	6	
55-604302	20	N/A		16	2	
55-604364	75	625	251	10	6	
55-604363	75	650	603	12	8	
55-604366	20	N/A		10	2	
55-587292	200	975	605	16	10	2003

* Arizona Dept of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		287	0
See Schedule "A"			

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
See Schedule "C"		See Schedule "B"	

RIO RICO UTILITIES INC
ATTACHMENT FOR ANNUAL REPORT

SCHEDULE "A" BOOSTER PUMPS	
HORSEPOWER	QUANTITY
40	2
30	5
25	12
20	8
15	12
10	3
7.5	9
3	2

SCHEDULE "B" PRESSURE TANKS	
CAPACITY, GALLONS	QUANTITY
8,000	1
5,000	9
3,000	2
1,500	5
1,000	5
200	4
50	0

SCHEDULE "C" STORAGE TANKS	
CAPACITY, MILLIONS GALLONS	QUANTITY
0.380	1
0.200	1
0.150	1
0.100	1
0.010	4

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		
4" and under	Various	318,481
Over 4"	Various	1,434,494

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	4,343
3/4	0
1	57
1-1/2	15
2	48
Comp. 3	2
Turbo 3	9
Comp. 4	5
Turbo 4	0
Comp. 6	0
Turbo 6	0

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Gas Chlorination System using 150# cylinders

STRUCTURES:

- (2) 20' x 20' Storage Shed
- (5) 8' x 8' Chlorination Buildings (at well sites)

OTHER:

N/A

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLONS PUMPED (Thousands)
JANUARY	4,277	47,907	47,436
FEBRUARY	4,289	44,350	40,145
MARCH	4,307	36,112	48,674
APRIL	4,358	47,980	53,235
MAY	4,410	59,959	71,954
JUNE	4,438	71,209	78,945
JULY	4,472	74,040	62,357
AUGUST	4,502	54,742	54,094
SEPTEMBER	4,546	51,105	59,595
OCTOBER	4,570	53,616	58,822
NOVEMBER	4,595	53,386	53,390
DECEMBER	4,613	46,757	53,093
TOTAL	N/A	641,163	681,740

Is the Water Utility located in the ADWR Active Management Area (AMA)?

(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

(X) Yes () No

If yes, provide the GPCPD amount : 172

What is the level of arsenic for each well on your system?

(If more than one well, please list each separately)

Well # 5 .0032 mg

Well #8 .0047 mg

Well #52 .0047 mg

Well #86 .0040 mg

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Rio Rico Utilities, INC YEAR ENDING 12/31/2003
(water)

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 65,309.08

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

12
Santa Cruz County, Arizona

01- - REAL 03-00040492
VALUE OF OPERATING PROPERTY
ID: 17,651.12
UNT PAID: 17,651.12

RIO RICO UTILITIES CK 1959 MCA
17,651.12
17,651.12
.00
water

25/03 * * * * * 09:44 * * *

C. Ramirez
Treasurer, Santa Cruz County, Arizona
11/25/03
114-50-052- - REAL 03-00015182
RIO RICO UNIT 7 BLK 708 LOT 13
TAXES PAID: 710.24
TOTAL AMOUNT PAID: 710.24

PAID BY: RIO RICO UTILITIES CK 1959 MCA
P CHK 1959 710.24
TENDERED: 710.24
CHANGE: .00
water

* * * 11/25/03 * * * * * 09:44 * * *

C. Ramirez
Treasurer, Santa Cruz County, Arizona
11/25/03
115-08-226-A- REAL 03-00018001
UNIT 8 RIO RICO ESTATES PT OF LOT P BL
K 147 AKA PARCEL 1
BK2 PG368(SURVEY)
TAXES PAID: 72.48
OVERPAYMENT: 72.48
TOTAL AMOUNT PAID: 158.96
water

PAID BY: RIO RICO UTILITIES CK 1959 MCA
P CHK 1959 158.96
TENDERED: 158.96
CHANGE: .00

* * * 11/25/03 * * * * * 09:44 * * *

13
Santa Cruz County, Arizona

0- - REAL 03-00040491
ALUE OF OPERATING PROPERTY
ID: 40.28
UNT PAID: 40.28
water

RIO RICO UTILITIES INC CK 1959
40.28
40.28
.00

25/03 * * * * * 09:45 * * *

C. Ramirez
Treasurer, Santa Cruz County, Arizona
11/25/03
938-03-502- - REAL 03-00040493
TOTAL VALUE OF OPERATING PROPERTY
TAXES PAID: 46,162.72
TOTAL AMOUNT PAID: 46,162.72
water

PAID BY: RIO RICO UTILITIES CK 1959 MCA
P CHK 1959 46,162.72
TENDERED: 46,162.72
CHANGE: .00

* * * 11/25/03 * * * * * 09:44 * * *

C. Ramirez
Treasurer, Santa Cruz County, Arizona
11/25/03
938-02-830- - REAL 03-00040490
TOTAL VALUE OF OPERATING PROPERTY
TAXES PAID: 585.76
TOTAL AMOUNT PAID: 585.76
water

PAID BY: RIO RICO UTILITIES INC CK 1959
P CHK 1959 585.76
TENDERED: 585.76
CHANGE: .00

* * * 11/25/03 * * * * * 09:45 * * *

COMPANY NAME

N/A

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>SANTA CRUZ</u>	APR 09 2004 AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) TITLE <u>DON BAKER</u> <u>VICE PRESIDENT</u>	
COMPANY NAME <u>RIO RICO UTILITIES INC</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,213,388.55

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 67,581.40

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

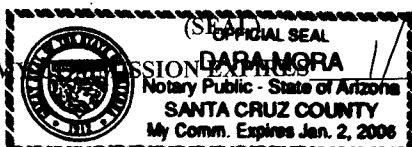
7th

DAY OF

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
520.281.7000
TELEPHONE NUMBER

COUNTY NAME <u>Santa Cruz</u>	
MONTH <u>April</u>	YEAR <u>2004</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 09 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>SANTA CRUZ</u>		AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) <u>DON BAKER</u>	TITLE <u>VICE PRESIDENT / GEN. MGR</u>	
COMPANY NAME <u>RIO RICO UTILITIES INC.</u>		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>932,910.49</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 53,599.63
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X 
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

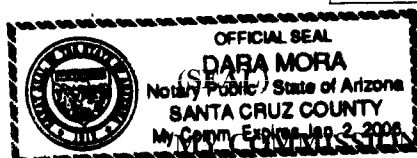
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

7th

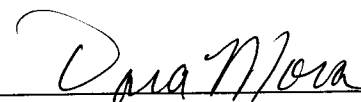
DAY OF

NOTARY PUBLIC NAME <u>DARA MORA</u>	
COUNTY NAME <u>Santa Cruz</u>	
MONTH <u>April</u>	. 20 <u>04</u>



EXPIRES

1/2/2006

X 
SIGNATURE OF NOTARY PUBLIC